

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA
MIAMI DIVISION

Case No.: 22-cv-22538-ALTMAN/REID

DOMINIK KARNAS, *et al.*,

Plaintiffs,

v.

MARK CUBAN, *et al.*,

Defendants.

**DEFENDANTS MARK CUBAN’S AND DALLAS MAVERICKS LIMITED d/b/a
DALLAS MAVERICKS’ RESPONSE TO PLAINTIFFS’ NOTICE OF SUPPLEMENTAL
AUTHORITY [ECF NO. 222] REGARDING DEFENDANTS’ OMNIBUS MOTION TO
DISMISS THE SECOND AMENDED COMPLAINT [ECF NO. 189]**

Pursuant to S.D. Fla. Local Rule 7.8, Defendants MARK CUBAN and DALLAS MAVERICKS LIMITED d/b/a DALLAS MAVERICKS respond to Plaintiffs’ Notice of Supplemental Authority [ECF No. 222] concerning an order from the District Court for the Western District of Washington in *Securities and Exchange Commission v. Ishan Wahi, et al.*, No-2:22-cv-01009-TL, ECF No. 119 (March 1, 2024) (“*Wahi*”) as follows:

Wahi does not control any points of law that are currently at issue in this case, and does not deserve any weight. *Wahi* is an out-of-Circuit, district court decision on a civil regulator’s unopposed motion for default judgment where resolution on the merits was not reasonably possible (*see Wahi* at 15), and no issues were actually litigated. *See Arizona v. California*, 530 U.S. 392, 414 (2000) (in “the case of a judgment entered by . . . default, none of the issues is actually litigated”). Although it includes analysis of some related securities laws issues, *Wahi* is not the product of adversarial motion practice, and the facts and claims in that case (insider trading by an employee of Coinbase in violation of Section 10(b) of the Securities Exchange Act) are meaningfully different than those at issue here (alleged state statutory violations for sale of an unregistered security by a promoter and deceptive and unfair trade practices).

No other Defendants join in this response.

Date: March 12, 2024

Respectfully submitted,

/s/ Christopher E. Knight

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CERTIFICATE OF SERVICE

I hereby certify that on March 12, 2024, the foregoing document was electronically filed with the Clerk of the Court using CM/ECF. I also certify that the foregoing document is being served this day on all counsel of record via the Court's CM/ECF which will send notification of such filing to all attorneys of record.

/s/ Christopher E. Knight

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